

EXHIBIT A
TO THE STRUCTURED PARKING
IMPROVEMENT ASSESSMENT ORDINANCE

CITY OF ARLINGTON, TEXAS

PID NO. 1

**STRUCTURED PARKING PUBLIC IMPROVEMENT
SERVICE AND ASSESSMENT PLAN**

(GLORYPARK PROJECT)

December 15, 2007

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SECTION I INTRODUCTION AND DEFINED TERMS

1.1 Introduction

Capitalized terms used herein shall have the meanings ascribed to them in Section 1.2 of this Service and Assessment Plan.

Chapter 372 of the PID Act governs the creation of public improvement districts in the State of Texas.

On July 3, 2007, the City Council passed and approved Resolution No. 07-417 approving and authorizing the creation of PID No. 1 to design, construct, and finance public improvements for the benefit of certain property within PID No. 1, all of which property is located within the City.

This Service and Assessment Plan relates to the design, construction, and financing of the Structured Parking Improvements and has been prepared pursuant to Sections 372.013, 372.014, 372.015, and 372.016 of the PID Act. According to the PID Act, a service plan must cover a period of at least five years and must also define the annual indebtedness and the projected costs for improvements. The PID Act further requires that the service plan be reviewed and updated annually to determine the annual budget for improvements. The service plan required by the PID Act is included in Section IV of this Service and Assessment Plan.

Section 372.014 of the PID Act states that an assessment plan must be included in the annual service plan. The assessment plan required by the PID Act is included in Section V of this Service and Assessment Plan.

Section 372.015 of the PID Act states that the governing body of the municipality or county shall apportion the cost of an improvement to be assessed against property in an improvement district. The method apportioning the Structured Parking Improvement Costs and expenses (i.e., the sum of the Costs of the Structured Parking Improvements, the Financing Costs and Expenses, and the Administrative Costs and Expenses) to be assessed against property within PID No. 1 is included in Section V of this Service and Assessment Plan.

Section 372.016 of the PID Act states that after the total cost of an improvement is determined, the governing body of the municipality or county shall prepare a proposed assessment roll. The roll must state the assessment against each parcel of land in the district, as determined by the method of assessment chosen by the municipality or county under this subchapter. The Structured Parking Improvement Assessment Roll stating the Structured Parking Improvement Assessments for PID No. 1 is included as an exhibit to this Service and Assessment Plan. The Structured Parking Improvement Assessments are based on the method of assessment described in Section V of this Service and Assessment Plan.

The City Council shall make all determinations necessary herein.

1.2 Definitions

The capitalized terms used in this Service and Assessment Plan and not otherwise defined in this Service and Assessment Plan shall have the following meanings:

“Administrative Costs and Expenses” mean the following amounts for which assessments are levied by Section 5(c) of the Assessment Ordinance: the following reasonable costs and expenses as determined by the City: (i) the annual administrative, organization, maintenance, and operation costs and expenses associated with, or incident and allocable to, the administration, organization, and operation of PID No. 1 in relation to the Structured Parking Improvements; and (ii) costs and expenses related to the administration of the Structured Parking Improvements and their financing. The costs and expenses described in the preceding clauses (i) and (ii) include, but are not limited to: (A) legal counsel, engineers, accountants, financial advisors, investment bankers or other consultants and advisors to the City and the Developer; (B) creating and organizing and administering PID No. 1 and preparing the Structured Parking Improvement Assessment Roll; (C) computing, levying, collecting, and billing for the Structured Parking Improvement Assessments; (D) preparing and developing plans by the City and the Developer and negotiating and implementing the documents and agreements related to the Structured Parking Improvements and the Bonds; (E) maintaining the record of installments, payments and reallocations and/or cancellations of the Structured Parking Improvement Assessments; (F) investing or depositing any Structured Parking Improvement Assessments; and (G) paying the Trustee's fees and expenses with respect to the Bonds (including the reasonable fees and expenses of its legal counsel).

“Administrator” means an employee or designee of the City who shall have the responsibility to administer this Service and Assessment Plan.

“Annual Service Plan Update” means the annual update to this Service and Assessment Plan as required by the PID Act.

“Assessment Ordinance” means Ordinance No. _____ to be adopted by the City Council of the City that approves and implements this Service and Assessment Plan and levies the Structured Parking Improvement Assessments and ordains related matters.

“Assessed Property” means, for any year, Parcels other than Non-Benefited Property.

“Assessment Year” means the annual cycle for which the Structured Parking Improvement Annual Payment is determined for each Parcel, the Annual Service Plan Update prepared, the Structured Parking Improvement Assessment Roll updated, and the Structured Parking Improvement Annual Payment collected.

“Bank” means the Bank of America, N.A. or any successor provider of the Letter of Credit.

“Bonds” means bonds to be issued by the City in the face principal amount of

\$86,200,000 for the purpose of paying a portion of the costs of constructing the Structured Parking Improvements, creating certain reserves, providing for capitalized interest, paying the costs of issuance, and having annual mandatory redemption requirements in the years and amounts identified in paragraph (i) of Section 5(a) of the Assessment Ordinance, to be entitled "City of Arlington, Texas, Glorypark Public Improvement District No. 1 Multi-Modal Special Assessment Revenue Bonds (Glorypark Structured Parking Improvements), Taxable Series 2008" and any bonds, notes, or other obligations of the City issued for the purpose of refunding and refinancing all or any portion of such bonds.

"Building Square Footage" or **"BSF"** means the actual, or for property upon which no improvements have been constructed, the estimated, leasable building area as shown on the building permit, architectural plans, or other available documents. If no information is available on the estimated leasable building area, Building Square Footage may be estimated by net usable land area and the estimated floor area ratio for the property.

"City" means the City of Arlington, Texas.

"City Council" means the duly elected governing body of the City.

"Costs of the Structured Parking Improvements" mean the total of the following amounts for which Structured Parking Improvement Assessments are levied by the Assessment Ordinance:

(i) As identified in Section 5(a)(i) of the Assessment Ordinance, \$86,200,000 being the face principal amount of the Bonds and the total of the principal installments (subject to adjustment as described in Section 5(a)(i) of the Assessment Ordinance); plus

(ii) As identified in Section 5(a)(ii) of the Assessment Ordinance, interest on the principal installments; plus

(iii) As identified in Section 5(a)(iii) of the Assessment Ordinance, \$4,310,000, being the amount of one deposit required to be made to the Debt Service Reserve Fund under the Trust Indenture on February 1, 2010.

"Debt Service Reserve Fund" shall have the meaning given such term in the Trust Indenture.

"Debt Service Reserve Requirement" shall have the meaning given such term in the Trust Indenture.

"Delinquent Collection Costs" mean interest, penalties, and attorneys' fees imposed with respect to delinquent installments of a Structured Parking Improvement Assessment imposed in accordance with §372.018(b) of the PID Act and the costs related to pursuing collection of a delinquent installment of a Structured Parking Improvement Assessment and foreclosing the lien against the Assessed Property, including attorneys' fees.

“Developer” means GLORYPARK TOWN CENTER, LP, a Delaware limited partnership.

“Financing Costs and Expenses” mean the total of the following amounts for which assessments are levied by Section 5(b) of the Assessment Ordinance:

(i) as provided in Section 5(b)(i)(A) of the Assessment Ordinance, the Letter of Credit Fee; plus

(ii) as provided in Section 5(b)(i)(B) of the Assessment Ordinance, the Letter of Credit Draw Fees; plus

(iii) as provided in Section 5(b)(ii) of the Assessment Ordinance, the amount, if any, that the City is required to pay to the SWAP Provider under the Interest Rate Management Agreement; plus

(iv) as provided in Section 5(b)(iii) of the Assessment Ordinance, a termination payment payable to the Swap Provider in an amount up to \$5,500,000; plus

(v) as provided in Section 5(b)(iv) of the Assessment Ordinance, any other fees, costs, and expenses that are or become payable under the Letter of Credit Agreement and Interest Rate Management Agreement and fees and expenses incurred in connection with the remarketing of the Bonds.

“Hotel Property” means Assessed Property used or intended to be used primarily as a hotel, including meeting space within or appurtenant to a hotel, and any ancillary uses thereto.

“Interest Rate Management Agreement” means the Interest Rate Management Agreement as defined in the Assessment Ordinance, to be entered into by the City and the Bank of America, N.A., as counterparty under the Interest Rate Management Agreement concurrently and in connection with the issuance of the Bonds substantially in the form and substance approved by the City Council of the City concurrently with its approval of the Bonds, in order to substantially fix the City’s payment obligations with respect to the Bonds during such time as the Bonds bear interest at other than a fixed rate and while such agreement is in effect.

“Letter of Credit” means the Letter of Credit as defined in the Assessment Ordinance, which is the direct-pay letter of credit to be issued by the Bank under the Letter of Credit Agreement.

“Letter of Credit Agreement” means the Letter of Credit Agreement as defined in the Assessment Ordinance, which is the agreement providing for the issuance of the Letter of Credit to be executed by the City and the Bank concurrently with the issuance of the Bonds substantially in the form and substance approved by the City Council of the City concurrently with its approval of the Bonds

“Mandatory Prepayment Amount” means the amount due upon the occurrence of a Mandatory Prepayment Event.

“Mandatory Prepayment Event” means the prepayment event described in Section VI of this Service and Assessment Plan.

“Maximum Interest Rate” means the lesser of (i) the interest rate on the Bonds, or (ii) fifteen percent (15%) per annum.

“Maximum Structured Parking Improvement Assessment” means \$351,000 per Structured Parking Improvement Equivalent Unit for the Structured Parking Improvement Assessment.

“Non-Benefited Property” means Parcels that receive no special benefit from the Structured Parking Improvements, including Public Property, Owner Association Property, property required for the Structured Parking Improvements, and easements primarily for the benefit of a public utility provider. Non-Benefited Property is identified at the time the Structured Parking Improvement Assessments are imposed and upon any reallocation as a result of a subdivision of a Parcel that includes Non-Benefited Property. If the Structured Parking Improvement Assessment cannot be reallocated pursuant to Section VI of this Service and Assessment Plan, Assessed Property that is converted to Non-Benefited Property remains subject to the Structured Parking Improvement Assessment and the Structured Parking Improvement Assessment may be required to be prepaid as provided in Section 6.4 of this Service and Assessment Plan. Non-Benefited Property later converted to a use inconsistent with Non-Benefited Property may have the Structured Parking Improvement Assessment allocated to this property as a result of a consolidation of the Parcel with other Parcels of Assessed Property.

“Office Property” means Assessed Property used or intended to be used primarily as office space, including any ancillary uses thereto.

“Owner” means the owner of a Parcel that is part of the Assessed Property.

“Owner Association Property” means property within the boundaries of PID No. 1 that is owned by or irrevocably offered for dedication to, whether in fee simple or through an easement, a property owners' association (if not used in a trade or business to produce income) and available for use by property owners in general.

“Parcel” means, a parcel or tract of land located within PID No. 1 and identified (i) by a tax map identification number assigned by the Tarrant County Central Appraisal District for real property tax purposes, (ii) by lot and block in a final subdivision plat recorded in the real property records of Tarrant County, Texas, or (iii) by any other means determined by the City Council. A Parcel may include Hotel Property, and/or Retail Property, and/or Office Property, and/or Residential Property (APARTMENTS), and/or Residential Property (CONDOMINIUMS).

“PID Act” means Chapter 372, Local Government Code, as amended, entitled the

"Public Improvement District Assessment Act."

"PID No. 1" means "Glorypark Public Improvement District No. 1 of the City of Arlington," created by the City Council by Resolution No. 07-417 adopted on July 3, 2007, pursuant to the PID Act.

"Public Property" means property within the boundaries of PID No. 1 that is owned by or irrevocably offered for dedication to, whether in fee simple or through an easement, the Arlington Sports Facilities Development Authority, the federal government, State of Texas, the City, a school district, or any other public agency.

"Residential Property (APARTMENTS)" means Assessed Property used or intended to be used primarily for residential dwelling units that are rented to tenants and under common management with other units, including any ancillary uses thereto.

"Residential Property (CONDOMINIUMS)" means Assessed Property used or intended to be used primarily for residential dwelling units that are individually owned, including any ancillary uses thereto

"Retail Property" means Assessed Property used or intended to be used primarily for retail sales to the public, including any ancillary uses thereto.

"Service and Assessment Plan" means this City of Arlington, Texas PID No. 1 Structured Parking Public Improvement Service and Assessment Plan (Glorypark Project).

"Structured Parking Improvement Adjusted Annual Installment" means the Structured Parking Improvement Annual Installment adjusted annually in accordance with Section VI of this Service and Assessment Plan.

"Structured Parking Improvement Annual Installment" means, with respect to each Parcel, the amount designated as the Structured Parking Improvement Annual Installment on Exhibit B attached to this Service and Assessment Plan or in any Annual Service Plan Update and accompanying Structured Parking Improvement Assessment Roll, calculated in accordance with Section VI of this Service and Assessment Plan.

"Structured Parking Improvement Annual Payment" means the portion of the Structured Parking Improvement Annual Installment to be paid by the Owners of Assessed Property each year as determined by Section VI of this Service and Assessment Plan.

"Structured Parking Improvement Annual Revenue Requirement" means, for any Assessment Year, the sum of the amounts required to make the annual payments required by Section 6.6 of this Service and Assessment Plan.

"Structured Parking Improvement Assessment Roll" means the assessment roll attached as Exhibit C to this Service and Assessment Plan, as updated, modified or amended from time to time in accordance with the procedures set in this Service and

Assessment Plan and in the PID Act. The Parcel identified on the Structured Parking Improvement Assessment Roll is shown on Exhibit B.

"Structured Parking Improvement Assessments" means the total of the assessments to be levied in Section 5 of the Assessment Ordinance to pay: (i) the Costs of the Structured Parking Improvements; plus (ii) the Administrative Costs and Expenses; and plus (iii) the Financing Costs and Expenses.

"Structured Parking Improvement Construction Contract" means the agreement identified by such name in the Assessment Ordinance.

"Structured Parking Improvement Equivalent Unit" means for Retail Property, Office Property, and Hotel Property, the BSF in 1,000s of square feet built or that may be built on a Parcel, and for Residential Property (APARTMENTS) and Residential Property (CONDOMINIUMS), the number of dwelling units built or that may be built on a Parcel, multiplied by the factors for each land use classification as shown below, which factors represent an allocation of Structured Parking Improvement Costs and Expenses among the classifications.

Retail Property	1.0 per 1,000 BSF
Office Property	0.80 per 1,000 BSF
Hotel Property	0.25 per 1,000 BSF
Residential Property (APARTMENTS)	0.40 per unit
Residential Property (CONDOMINIUMS)	0.10 per unit

"Structured Parking Improvement Costs and Expenses" mean the sum of the Costs of the Structured Parking Improvements, the Financing Costs and Expenses, and the Administrative Costs and Expenses.

"Structured Parking Improvements" means the structured parking garages and other public infrastructure and improvements shown on Table III-A of this Service and Assessment Plan.

"Trust Indenture" means that certain trust agreement between the City and Wells Fargo Bank, National Association, securing the Bonds and approved by ordinance of the City Council of the City that authorizes and approves the issuance and sale of the Bonds

"Trustee" means the trustee for the Bonds, to be specified and named in the Trust Indenture, initially, Wells Fargo Bank, National Association.

SECTION II
PROPERTY AND PROPOSED DEVELOPMENT WITHIN PID NUMBER ONE

2.1 A map of the property included in PID No. 1 is shown on Exhibit A to this Service and Assessment Plan. There is currently a single Parcel of Assessed Property as shown on Exhibit B and the Structured Parking Improvement Assessment Roll. The existing Parcel of Assessed Property is expected to be subdivided and consolidated with property that is currently Non-Benefited Property at a later date, at which time the Structure Parking Improvement Assessment will be reallocated to each Parcel in accordance with the terms of this Service and Assessment Plan. Certain public property that is currently classified as Non-Benefited Property is expected to be converted private property, and certain private property that is currently Assessed Property is expected to become public property and converted to Non-Benefited Property in conjunction with that consolidation and subdivision.

2.2 For purposes of allocating Structured Parking Improvement Costs and Expenses to property in PID No. 1, such property has been classified as either Assessed Property or Non-Benefited Property. Assessed Property is further classified based on its projected use as Retail Property, Office Property, Hotel Property, Residential Property (APARTMENTS), or Residential Property (CONDOMINIUMS). The proposed development of property in PID No. 1 (based on land use classifications) is shown by Table II-A below. An explanation of the method of assessing property within PID No. 1 is provided in Section V of this Service and Assessment Plan.

Table II-A
Land Use Classifications And Proposed Development

Land Use Classifications	Proposed Development (BSF)
Retail Property	795,129
Office Property	224,877
Hotel Property	403,306
Residential Property (APARTMENTS)	335,047 (320 units)
Residential Property (CONDOMINIUMS)	331,007 (152 units)

SECTION III

**STRUCTURED PARKING IMPROVEMENTS, COSTS OF STRUCTURED
PARKING IMPROVEMENTS, FINANCING COSTS AND EXPENSES, AND
ADMINISTRATIVE COSTS AND EXPENSES**

3.1 Section 372.003 of the PID Act defines public improvement projects that may be undertaken by a municipality or county through the establishment of a public improvement district. After analyzing the Structured Parking Improvements, the City has determined that they are projects authorized by the PID Act, should be undertaken by the City, and will be of special benefit to the Assessed Property. The Structured Parking Improvements consist generally of four parking structured garages including approximately 4,500 spaces.

3.2 Costs of the Structured Parking Improvements. Table III-A below summarizes the estimated costs to construct the Structured Parking Improvements. The costs shown may not be the total costs of the Structured Parking Improvements.

**Table III-A
Estimated Costs to Construct the Parking Facilities**

Improvement	Estimated Cost
Garages	\$65,961,000
Architecture and consultants	\$1,137,000
Permits and fees	\$1,142,452
Contingency	\$3,412,022
Total estimated costs to construct the Parking Facilities	\$71,652,474

3.3 Bond Financed Costs of the Structured Parking Improvements. Table III-B below explains how the costs to construct the Structured Parking Improvements will be paid from the issuance of Bonds. The costs shown are not the total costs of the Structured Parking Improvements. A portion of the costs shown on Table III-B will be paid by the Developer.

Table III-B
Estimated Issuance of Bonds

Use of Funds	Amount
Estimated costs to construct the Parking Facilities	\$71,652,474
Less: other funds	(\$520,173)
Bond funded construction costs	\$71,132,301
Underwriter's discount	\$1,357,650
Costs of issuance and rounding	\$1,502,299
Letter of credit fee (first year)	\$888,673
Administrative costs (first year)	\$100,000
Financing costs (first year) (Interest rate management, renewal, and use fees)	\$21,500
Debt service reserve fund	\$4,310,000
Capitalized interest	\$6,887,577
Estimated issuance of bonds	\$86,200,000

3.4 Summary of Costs of the Structured Parking Improvements. Table III-C below summarizes the Costs of the Structured Parking Improvements. The costs shown are not the total costs of the Structured Parking Improvements. A portion of the costs shown on Table III-C will be paid by the Developer. Savings from one line item may be applied to a cost increase in another line item.

Table III-C
Summary of the Costs of the Structured Parking Improvements

Use of Funds	Amount
Principal amount of the bonds	\$86,200,000
Interest on principal installments at 15%	\$226,513,500
Payments to the debt service reserve fund	\$4,310,000
Total costs of the Parking Facilities	\$317,023,500

(1) The bond proceeds also include \$4,310,000 to be deposited into the debt service reserve fund, resulting in total deposits of \$8,620,000 into the debt service reserve fund.

3.5 Financing Costs and Expenses. Table III-D below summarizes the Financing Costs and Expenses to be paid in connection with the Structured Parking Improvements and the issuance of the Bonds.

Table III-D
Summary of Financing Costs and Expenses

Use of Funds	Amount
Letter of credit maintenance fees	\$14,879,651
Letter of credit facility use charges	\$37,500
Interest Rate Management Agreement payments	\$250,000
Interest Rate Management Agreement termination payment	\$5,500,000
Renewal and extension fees on LC and Interest Rate Management Agreement	\$250,000
Remarketing agent fees	\$755,045
Total Financing Costs and Expenses	\$21,672,196

3.6 Administrative Costs and Expenses. The estimated Administrative Costs and Expenses for each year are shown in Table IV-B. Administrative Costs and Expenses will be estimated by the Administrator each year and will be reflected in each Annual Service Plan Update and the accompanying Structured Parking Improvement Assessment Roll for the year. The amount, if any, by which revenue collected for Administrative Costs and Expenses from the previous Assessment Year exceed the actual revenue required for such costs and expenses, the excess will be applied toward the estimated Administrative Costs and Expenses for the next Assessment Year.

SECTION IV SOURCES AND USES OF FUNDS

4.1 Section 372.013 of the PID Act requires this Service and Assessment Plan to cover a period of at least five years and must define the annual indebtedness and the projected costs for improvements. The PID Act requires that such plan be reviewed and updated annually to determine the annual budget for improvements.

4.2 Bond Funded Costs and Expenses. Table IV-A below identifies the sources and uses of funds, including the Bonds to be issued, to fund the Costs of the Structured Parking Improvements and the Financing Costs and Expenses. The costs in Table IV-A are subject to revision, and the actual sources and uses of funds for any line item may be different. This table shall be updated upon the issuance of the Bonds and each year thereafter as part of the Annual Service Plan Update to reflect revisions to the plan and

actual costs. This table is subject to revision in accordance with the Assessment Ordinance in the event of a refunding of the Bonds.

4.3 Assessed Costs Incurred Each Year. Table IV-B below identifies costs expected to be incurred each year (excluding annual principal installments on the Bonds). The Bonds are expected to be issued in 2008. The Structured Parking Improvement Assessment for a Parcel may be paid in full at any time, and if not paid in full, will be paid annually as a Structured Parking Improvement Annual Installment as shown on the Annual Service Plan Update and accompanying Structured Parking Improvement Assessment Roll.

Table IV-B is subject to revision, and the actual sources and uses of funds for any line item may be different. This table shall be updated upon the issuance of the Bonds and each year thereafter as part of the Annual Service Plan Update to reflect revisions and actual costs, including changes in the year in which costs will be incurred. This table is subject to revision in accordance with the Assessment Ordinance in the event of a refunding of the Bonds.

Table IV-A
Sources and Uses of Funds

Use of Funds	Source of Funds			
	Assessments			Other Funds
	Bond Financed	Not Financed	Total Assessments	
Construction costs of the Parking Facilities	\$86,200,000		\$86,200,000	\$520,173
Interest on principal installments at 15%		\$226,513,500	\$226,513,500	
Payments to the debt service reserve fund		\$4,310,000	\$4,310,000	
Letter of credit maintenance fees		\$14,879,651	\$14,879,651	
Letter of credit facility use charges		\$37,500	\$37,500	
Interest Rate Management Agreement payments		\$250,000	\$250,000	
Interest Rate Management Agreement termination payment				
Renewal and extension fees		\$5,500,000	\$5,500,000	
Remarketing agent fee		\$250,000	\$250,000	
Administrative costs and expenses		\$755,045	\$755,045	
Total	\$86,200,000	\$3,645,926	\$3,645,926	\$3,645,926
		\$256,141,622	\$342,341,622	\$520,173
				\$342,861,795

Table IV-B
Assessed Costs Incurred by Year

Due Date	Bonds	Interest on Principal Installments	Payments on debt service reserve fund	Letter of credit maintenance fees	Letter of credit facility use charges	Interest Rate Management Agreement Payments	Interest Rate Mgmt Agmt. Term. Payments	Renewal Fees on LOC and Interest Rate Mgmt. Agmt.	Remarketing Agent Fee	Administrative Costs and Expenses	Total
2/1/2008	\$86,200,000										
2/1/2009		\$12,930,000		\$900,790	\$1,500	\$10,000	\$5,500,000	\$10,000	\$43,100	\$100,000	\$86,200,000
2/1/2010		\$12,930,000	\$4,310,000	\$894,625	\$1,500	\$10,000		\$10,000	\$43,100	\$103,000	\$19,495,390
2/1/2011		\$12,841,500		\$888,355	\$1,500	\$10,000		\$10,000	\$42,805	\$106,090	\$18,302,225
2/1/2012		\$12,751,500		\$879,577	\$1,500	\$10,000		\$10,000	\$42,505	\$109,273	\$13,900,250
2/1/2013		\$12,625,500		\$868,813	\$1,500	\$10,000		\$10,000	\$42,085	\$112,551	\$13,804,354
2/1/2014		\$12,471,000		\$855,855	\$1,500	\$10,000		\$10,000	\$41,570	\$115,927	\$13,670,449
2/1/2015		\$12,285,000		\$840,494	\$1,500	\$10,000		\$10,000	\$40,950	\$119,405	\$13,505,852
2/1/2016		\$12,064,500		\$822,624	\$1,500	\$10,000		\$10,000	\$40,215	\$122,987	\$13,307,349
2/1/2017		\$11,808,000		\$801,933	\$1,500	\$10,000		\$10,000	\$39,360	\$126,677	\$13,071,826
2/1/2018		\$11,511,000		\$778,212	\$1,500	\$10,000		\$10,000	\$38,370	\$130,477	\$12,797,470
2/1/2019		\$11,170,500		\$751,146	\$1,500	\$10,000		\$10,000	\$37,235	\$134,392	\$12,479,559
2/1/2020		\$10,782,000		\$720,528	\$1,500	\$10,000		\$10,000	\$35,940	\$138,423	\$12,114,773
2/1/2021		\$10,342,500		\$686,043	\$1,500	\$10,000		\$10,000	\$34,475	\$142,576	\$11,698,391
2/1/2022		\$9,847,500		\$647,378	\$1,500	\$10,000		\$10,000	\$32,825	\$146,853	\$11,227,094
2/1/2023		\$9,292,500		\$604,219	\$1,500	\$10,000		\$10,000	\$30,975	\$151,259	\$10,696,056
2/1/2024		\$8,673,000		\$556,254	\$1,500	\$10,000		\$10,000	\$28,910	\$155,797	\$10,100,453
2/1/2025		\$7,984,500		\$503,063	\$1,500	\$10,000		\$10,000	\$26,615	\$160,471	\$9,435,460
2/1/2026		\$7,221,000		\$455,934	\$1,500	\$10,000		\$10,000	\$24,070	\$165,285	\$8,696,149
2/1/2027		\$6,544,500		\$403,684	\$1,500	\$10,000		\$10,000	\$21,815	\$170,243	\$7,887,788
2/1/2028		\$5,794,500		\$345,738	\$1,500	\$10,000		\$10,000	\$19,315	\$175,351	\$7,161,742
2/1/2029		\$4,962,750		\$281,732	\$1,500	\$10,000		\$10,000	\$16,543	\$180,611	\$6,356,404
2/1/2030		\$4,044,000		\$211,142	\$1,500	\$10,000		\$10,000	\$13,480	\$186,029	\$5,463,136
2/1/2031		\$3,030,750		\$133,447	\$1,500	\$10,000		\$10,000	\$10,103	\$191,610	\$4,476,152
2/1/2032		\$1,915,500		\$48,070	\$1,500	\$10,000		\$10,000	\$6,385	\$197,359	\$3,387,409
2/1/2033		\$690,000		\$0	\$1,500	\$10,000		\$10,000	\$2,300	\$203,279	\$2,188,814
Total	\$86,200,000	\$226,513,500	\$4,310,000	\$14,879,651	\$37,500	\$250,000	\$5,500,000	\$250,000	\$755,045	\$3,645,926	\$342,341,622

SECTION V ASSESSMENT PLAN

5.1 PID No. 1 was created, the Structured Parking Improvement Assessments are being levied, and the Bonds are being issued pursuant to the PID Act. Section 372.015 of the PID Act provides as follows:

- (a) The governing body of the municipality or county shall apportion the cost of an improvement to be assessed against property in an improvement district. The apportionment shall be made based on special benefits accruing to the property because of the improvement.
- (b) The cost of an improvement may be assessed:
 - (1) equally per front foot or square foot;
 - (2) according to the value of the property as determined by the governing body, with or without regard to improvements on the property; or
 - (3) in any other manner that results in imposing equal shares of the cost on property similarly benefited.
- (c) The governing body may establish by ordinance or order reasonable classifications and formulas for the apportionment of the cost between the municipality or county and the area to be assessed.
- (d) The amount of the assessment for each Owner may be adjusted following each annual review of this Service and Assessment Plan.

This section of this Service and Assessment Plan explains the allocation of the Structured Parking Improvement Assessments based on the special benefits accruing to the Assessed Property such that equal shares of the Structured Parking Improvement Costs and Expenses are apportioned to property similarly benefited. The determination by the City of the assessment methodology set forth below is the result of the discretionary exercise by the City Council of its legislative and governmental powers and is conclusive and binding on the Developer and all future owners and developers of property within PID No. 1.

5.2 The Structured Parking Improvement Costs and Expenses may be assessed by the City Council against the Assessed Property so long as the special benefit conferred upon the Assessed Property by the Structured Parking Improvements equals or exceeds the Structured Parking Improvement Assessments. The Assessed Property will receive a direct and special benefit from the Structured Parking Improvements, and this benefit will be equal to or greater than the Structured Parking Improvement Assessments. The Structured Parking Improvements are provided specifically for property within PID No. 1. The Structured Parking Improvements will provide necessary parking for the proposed use of the property within the PID, and as a result will provide a special benefit to the Assessed Property.

5.3 The Owners have executed a Landowner Agreement in which they confirm, accept, agree to, and approve: (i) the creation and boundaries of PID No. 1 and the boundaries of each Parcel; (ii) the determinations and findings of the City Council as to the special benefits to the Assessed Property of the Structured Parking Improvements; and (iii) the Assessment Ordinance, this Service and Assessment Plan, and the Structured Parking Improvement Assessment Roll. The Owners further consent to and agree to pay when due the Structured Parking Improvement Assessments for the purpose of providing the Structured Parking Improvements. The Owners are acting in their interest in consenting to the Structured Parking Improvement Assessments because the benefit they receive from the Structured Parking Improvements exceeds the Structured Parking Improvement Assessments.

5.4 The Structured Parking Improvement Assessments are being levied to provide improvements that are required for the highest and best use of the Assessed Property (i.e., the use that is most valuable, including any costs associated with that use). Highest and best use is defined as "the reasonably probable and legal use of property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value." (*Dictionary of Real Estate Appraisal, Third Edition.*) The Structured Parking Improvements are required for the development as proposed to be physically possible, appropriately supported, and maximally productive.

5.5 The Owners have presented evidence to the City to allow the City Council to determine that the highest and best use of the Assessed Property is for upscale mixed-use commercial and residential purposes, the uses intended for the Assessed Property. The use of the Assessed Property as intended will be facilitated by the Structured Parking Improvements.

5.6 Funding the Structured Parking Improvement Costs and Expenses through PID No. 1 is on advantageous terms and facilitates improvements to multiple properties in a single undertaking, which would otherwise be difficult or impractical. As a result of the advantages, the financing of the Structured Parking Improvements provided by PID No. 1 is the most beneficial means of financing the Structured Parking Improvements. This conclusion is based on and supported by the evidence, information, and testimony provided to the City Council.

5.7 The Structured Parking Improvements result in a special benefit to the Assessed Property, and this special benefit exceeds the Structured Parking Improvement Assessments for the following reasons:

- (a) The Structured Parking Improvements are being provided specifically for the use of the Assessed Property and provide a special benefit to the Assessed Property as a result;
- (b) The Owners have consented to the levy of the Structured Parking Improvement Assessments for the purpose of providing the Structured Parking Improvements;
- (c) The Structured Parking Improvements confer a special benefit on the Assessed Property that enables the Assessed Property to be developed at its highest and best use; and

(d) As a result, the special benefits conferred on the Assessed Property by the Structured Parking Improvements will be equal to or greater than the Structured Parking Improvement Assessments that will finance the Structured Parking Improvements, which are necessary to achieve the highest and best use of the Assessed Property and to substantially increase the value of taxable property within PID No. 1.

5.8 The City Council may apportion the Structured Parking Improvement Costs and Expenses in any manner that results in imposing equal shares of the cost on property similarly benefited and may establish reasonable classifications of property for the purpose of apportioning the Structured Parking Improvement Costs and Expenses.

5.9 The Structured Parking Improvement Costs and Expenses are allocated to Parcels according to the estimated usage of the Structured Parking Improvements based on classifications of the Assessed Property. The classifications of the Assessed Property are based on expected land use and are as follows: Retail Property, Office Property, Hotel Property, Residential Property (APARTMENTS), and Residential Property (CONDOMINIUMS). The Structured Parking Improvement Assessments are allocated to property in each of these classifications according to the estimated use of the Structured Parking Improvements by each property classification. The Structured Parking Improvements consist of public parking garages, therefore the use and benefit of these improvements is based on (i) the off-street parking required by City zoning for the land use classifications, (ii) market demand for parking for the land use classifications, (iii) the unique requirements for retail and hotel development, and (iv) the availability of dedicated private parking for residential condominium development.

5.10 Table V-A below shows the projected use of the Structured Parking Improvements for each land use classification, the resulting equivalent unit factor, and the resulting Structured Parking Improvement Assessment per BSF or per residential unit.

Table V-A
Structured Parking Improvement Assessments

Land Use Classification	Use of the Structured Parking Improvements	Structured Parking Improvement Equivalent Unit Factors	Structured Parking Improvement Assessment
Retail Property	5.0 spaces per 1,000 square feet	1.0	\$280,825 per 1,000 BSF
Office Property	4.0 spaces per 1,000 square feet	0.80	\$224,660 per 1,000 BSF
Hotel Property	1.27 spaces per 1,000 square feet	0.25	\$70,206 per 1,000 BSF
Residential Property (APARTMENTS)	2.0 spaces per unit	0.40	\$112,330 per unit
Residential Property (CONDOMINIUMS)	.5 spaces per unit	0.10	\$28,082 per unit

5.11 The Structured Parking Improvement Equivalent Units represent the ratio of the number of required off-street parking spaces (and corresponding benefit) for each land use classification compared to Retail Property. The Structured Parking Improvements Assessments for each land use category are established based on the same ratio as the Structured Parking Improvement Equivalent Units, with the result that the total of the Structured Parking Improvement Assessments is allocated to all the Assessed Property.

5.12 Non-Benefited Property will not materially benefit as a result of the Structured Parking Improvements; accordingly, Non-Benefited Property is not assessed.

SECTION VI

STRUCTURED PARKING IMPROVEMENT ASSESSMENTS

6.1 Introduction. This section includes provisions affecting the Structured Parking Improvement Assessments including provisions related to reallocation upon subdivision or consolidation, mandatory prepayment, mandatory reductions, payment, and collection.

6.2 Structured Parking Improvement Assessments. The Structured Parking Improvement Assessment for each Parcel is shown on the Structured Parking Improvement Assessment Roll. No Structured Parking Improvement Assessment shall be changed except pursuant to the provisions of this Service and Assessment Plan, the Assessment Ordinance, or as permitted under the PID Act. The City Council may reapportion Structured Parking Improvement Assessments on some or all of the Parcels, except for Parcels that are homesteads, upon the

unanimous written request of the Owners for which the Structured Parking Improvement Assessments are to be reapportioned if there has been a change in the projected Structured Parking Improvement Equivalent Units of the Parcels.

6.3 Reallocation of Structured Parking Improvement Assessments upon a Subdivision or Consolidation.

(a) Subdivision. Upon the subdivision of any Parcel, the Structured Parking Improvement Assessment for the Parcel prior to the subdivision shall be reallocated among the new Parcels pursuant to the following formula:

$$A = B \times (C \div D)$$

Where the terms have the following meanings:

- A = the Structured Parking Improvement Assessment of each new Parcel
- B = the Structured Parking Improvement Assessment of the original Parcel prior to the subdivision
- C = the Structured Parking Improvement Equivalent Units of the new Parcel
- D = the sum of the Structured Parking Improvement Equivalent Units for all the new Parcels

The reallocation of Structured Parking Improvement Assessments upon a subdivision shall be performed by the Administrator based on information available to the Administrator regarding the use of the Parcel being subdivided, and the reallocation shall be confirmed by the City. The reallocation, when confirmed by the City, shall be conclusive and binding on the Owners of the Parcels affected. The reallocation shall be made separately for each newly subdivided Parcel. The City is not required to confirm a reallocation without confirmation that the Structured Parking Improvement Assessment for each subdivided Parcel will not exceed the Maximum Structured Parking Improvement Assessment for the Parcel unless the Owner makes a mandatory prepayment to the City as provided by this Service and Assessment Plan. The City shall not approve the recordation of a plat or other document subdividing a Parcel without a letter from the Administrator either (i) confirming that the Structured Parking Improvement Assessment for the new Parcels created by the subdivision will not exceed the Maximum Structured Parking Improvement Assessment for the Parcels, or (ii) confirming mandatory prepayments of the Structured Parking Improvements as provided herein.

In all cases, the sum of the Structured Parking Improvement Assessments for all newly subdivided Parcels shall equal the Structured Parking Improvement Assessment for the original Parcel before the subdivision.

The reallocation of a Structured Parking Improvement Assessment that involves a homestead under Texas law may not exceed the Structured Parking Improvement Assessment on the Parcel prior to the reallocation.

All reallocations pursuant to this section shall be reflected in the next Annual Service Plan Update.

(b) Consolidation. Upon the consolidation of two or more Parcels, the Structured Parking Improvement Assessment for the consolidated Parcel shall be the sum of the Structured Parking Improvement Assessments for the Parcels prior to the consolidation. The reallocation of a Structured Parking Improvement Assessment that involves a homestead under Texas law may not exceed the Structured Parking Improvement Assessment on the Parcel prior to the reallocation.

6.4 Mandatory Prepayment of Structured Parking Improvement Assessments.

(a) If at any time the Structured Parking Improvement Assessment for a Parcel exceeds the Maximum Structured Parking Improvement Assessment for the Parcel and cannot be reallocated to other Parcels pursuant to the provisions herein, a Mandatory Prepayment Event will occur. For a Parcel with respect to which a Mandatory Prepayment Event has occurred, the Owner shall pay the Mandatory Prepayment Amount to the City in immediately available funds within 30 days after written notice from the City or Administrator. The Mandatory Prepayment Amount shall be the amount calculated by the Administrator to be sufficient to reduce the Structured Parking Improvement Assessment to an amount that does not exceed the Maximum Structured Parking Improvement Assessment.

(b) If a Parcel is acquired by a party that is exempt from the payment of Structured Parking Improvement Assessments under applicable law, or in the event an entire Parcel becomes Non-Benefited Property, the Structured Parking Improvement Assessment relating to such Parcel shall become immediately due and payable by the Owner to the City and may be collected by the City from the proceeds of a sale, condemnation, or other form of consideration paid for the Parcel or from any other legally available source of funds. The Mandatory Prepayment Amount shall be the full amount of the Structured Parking Improvement Assessment.

(c) The mandatory prepayments set forth above shall be subject to the same penalties, procedures, and foreclosure remedies for non-payment that apply to delinquent taxes and shall have the lien priority set forth in the PID Act. The City Council may provide other means of collecting these mandatory prepayments to the extent permitted under the PID Act and other applicable law.

6.5 Mandatory Reductions of Structured Parking Improvement Assessments. The total of the Structured Parking Improvement Assessments shall not exceed the total of the Structured Parking Improvement Costs and Expenses. If at any time the City Council determines, for any reason, that the total of the Structured Parking Improvement Assessments exceeds the total actual Structured Parking Improvement Costs and Expenses, then the total of the Structured Parking

Improvement Assessments shall be reduced to an amount equal to the total actual Structured Parking Improvement Costs and Expenses. In addition, if all of the Structured Parking Improvements are not undertaken, then the Structured Parking Improvement Assessment for each Parcel shall be reduced to reflect only the costs of the Structured Parking Improvements actually undertaken. In the event of reductions as provided above, each Structured Parking Improvement Assessment for each Parcel shall be reduced by an equal percentage. If Structured Parking Improvement Assessments are reduced as provided above, any related excess Bond proceeds shall be used to redeem Bonds; however, the Structured Parking Improvement Assessments shall not be reduced to an amount less than the Structured Parking Improvement Costs and Expenses, including any outstanding Bonds.

6.6 Payment of Structured Parking Improvement Assessments. Structured Parking Improvement Assessments will be collected annually as set forth in the Annual Service Plan Update and corresponding Structured Parking Improvement Assessment Roll for the same Assessment Year. The amount of the Structured Parking Improvement Assessments shall be determined as set forth in this Service and Assessment Plan and as more particularly set forth in Sections 5 and 8 of the Assessment Ordinance. Each Annual Service Plan Update and corresponding Structured Parking Improvement Assessment Roll for the same Assessment Year will reflect all payments that are due for the Assessment Year, taking into consideration the reductions set forth below and more particularly described in Section 8 of the Assessment Ordinance. Structured Parking Improvement Assessments will be collected as follows:

- (a) Principal. The collection of Structured Parking Improvement Assessments to pay principal installments on the Bonds as provided in Section 5(a)(i) of the Assessment Ordinance shall commence and continue as provided in Section 8 of the Assessment Ordinance.
- (b) Interest. The collection of Structured Parking Improvement Assessments to pay annual installments of interest on principal installments on the Bonds as provided in Section 5(a)(ii) of the Assessment Ordinance.
- (c) Debt Service Reserve. The collection of Structured Parking Improvement Assessments to make payments to the Debt Service Reserve Fund as provided in Section 5(a)(iii) of the Assessment Ordinance shall commence and continue as provided in Section 8 of the Assessment Ordinance.
- (d) Letter of Credit Fee and Letter of Credit Draw Fee. The collection of Structured Parking Improvement Assessments to pay the Letter of Credit Fees as provided in Section 5(b)(i)(A) of the Assessment Ordinance and to pay for the Letter of Credit Draw Fees as provided in Section 5(b)(i)(B) of the Assessment Ordinance shall commence and continue as provided in Section 8 of the Assessment Ordinance.
- (e) Annual Payments to Swap Provider. The collection of Structured Parking Improvement Assessments to make annual payments to the Swap Provider required by the Interest Rate Management Agreement as provided in Section 5(b)(ii) of the Assessment Ordinance shall commence and continue as provided in Section 8 of the Assessment Ordinance.

(f) Other Financing Fees, Costs, and Expenses. The collection of Structured Parking Improvement Assessments to pay fees, costs, expenses, and payments to amend, renew, replace, or extend the Letter of Credit Agreement or Interest Rate Management Agreement and to pay remarketing fees and expenses as provided in Section 5(b)(iv) of the Assessment Ordinance shall commence and continue as provided in Section 8 of the Assessment Ordinance.

(g) Administrative Costs and Expenses. The collection of Structured Parking Improvement Assessments to make annual payments of Administrative Costs and Expenses as provided in Section 5(c) of the Assessment Ordinance shall commence and continue as provided in Section 8 of the Assessment Ordinance.

(h) Termination Payments. The collection of Structured Parking Improvement Assessments to make a termination payment required by the Interest Rate Management Agreement as provided in Section 5(b)(iii) of the Assessment Ordinance shall commence and continue as provided in Section 8 of the Assessment Ordinance.

6.7 Prepayment of Structured Parking Improvement Assessments.

(a) As provided in Section 372.018(b) of the PID Act, an Owner may prepay, at any time, the full amount of the Structured Parking Improvement Assessment against a Parcel, together with interest and the Owner's share of other assessed costs and expenses accrued to the prepayment date. Prepayments may be made on an interest payment date of the Bonds or a date that is not an interest payment date on the Bonds. Prepayments shall be calculated as set forth below and as more particularly described in Section 10 of the Assessment Ordinance. The amount of a prepayment shall be the sum of the Owner's share of the following computed to the date of prepayment:

(1) Unpaid principal installments for which Structured Parking Improvement Assessments are levied in Section 5(a)(i) of the Assessment Ordinance; plus

(2) Interest due and payable on the Bonds for which Structured Parking Improvement Assessments are levied in Section 5(a)(ii) of the Assessment Ordinance (subject to reduction and refund as provided in Section 10 of the Assessment Ordinance); plus

(3) Unpaid deposits into the Debt Service Reserve Fund for which Structured Parking Improvement Assessments are levied in Section 5(a)(iii) of the Assessment Ordinance (subject to credit as provided in Section 10 of the Assessment Ordinance); plus

(4) Accumulated and unpaid Financing Costs and Expenses for which Structured Parking Improvement Assessments are levied in Sections 5(b) of the Assessment Ordinance; plus

(5) Accumulated and unpaid Administrative Costs and Expenses for which Structured Parking Improvement Assessments are levied in Section 5(c) of the Assessment Ordinance; and MINUS

(6) the Net Debt Service Reserve Fund Credit as defined in Section 10 of the Assessment Ordinance.

If a Structured Parking Improvement Assessment is not paid in full, it shall be paid in Structured Parking Improvement Assessment Annual Installments in the amounts shown on each Annual Service Plan Update and accompanying Structured Parking Improvement Assessment Roll, which includes all costs identified in Section 5 of the Assessment Ordinance.

6.8 Calculation of the Structured Parking Improvement Annual Payment. The Structured Parking Improvement Annual Installment shall be reduced by revenue and other funds available to apply to the Structured Parking Improvement Annual Revenue Requirement, such as capitalized interest and interest income on account balances held by the Trustee, to an amount equal to the Structured Parking Improvement Annual Payment for each Parcel, which shall be calculated as follows:

$$A = B \times (C \div D)$$

Where the terms have the following meanings:

- A = the Structured Parking Improvement Annual Payment for a Parcel
- B = the Structured Parking Improvement Annual Revenue Requirement for the Assessment Year for which the Structured Parking Improvement Annual Payment is being calculated
- C = the Structured Parking Improvement Adjusted Annual Installment for the Parcel
- D = the Structured Parking Improvement Adjusted Annual Installment for all Parcels

6.9 Collection of Annual Installments. No less frequently than annually, the Administrator or the City shall prepare, and the City Council shall approve, an Annual Service Plan Update to allow for the billing and collection of Structured Parking Improvements Annual Installments. Each Annual Service Plan Update shall include an updated Structured Parking Improvement Assessment Roll and a calculation of the Structured Parking Improvements Annual Installments for the Parcels. Each Structured Parking Improvement Annual Installment shall be reduced as provided in the Assessment Ordinance, this Service and Assessment Plan, and the Trust Indenture. Structured Parking Improvement Annual Installments shall be collected by the City in the same manner and at the same time as ad valorem taxes and shall be subject to the same penalties, procedures, and foreclosure process as are provided for ad valorem taxes. The City may provide for other means of collecting the Structured Parking Improvement Annual Installments to the extent permitted under the PID Act. The Structured Parking Improvement Assessments shall have lien priority as specified in the PID Act. Any sale of property for nonpayment of Structured Parking Improvement Annual Installments shall be subject to the lien established for the remaining unpaid Structured Parking Improvement Annual Installments against such property, and such property may again be sold at a judicial foreclosure sale if the

purchaser thereof fails to make timely payment of the non-delinquent Structured Parking Improvement Annual Installments against such property as they become due and payable.

SECTION VII STRUCTURED PARKING IMPROVEMENT ASSESSMENT ROLL

The Administrator shall prepare and the City Council shall approve an update to this Service and Assessment Plan and to the corresponding Structured Parking Improvement Assessment Roll when Bonds are issued to reflect the information set forth below with respect to each Parcel. The Administrator shall also prepare and the City Council shall approve Annual Service Plan Updates and annual updates to the accompanying Structured Parking Improvement Assessment Roll to reflect the information set forth below with respect to each Parcel:

- (a) the identification of each Parcel (including tax ID number if available);
- (b) the Structured Parking Improvement Assessment, including any adjustments provided for in this Service and Assessment Plan and the Assessment Ordinance;
- (c) the Structured Parking Improvement Annual Installment;
- (e) the Structured Parking Improvement Adjusted Annual Installment;
- (f) the Structured Parking Improvement Annual Payment;
- (g) adjustments, if any, to the Structured Parking Improvement Costs and Expenses and/or to the scope of the Structured Parking Improvements, together with any corresponding adjustments to the Structured Parking Improvement Assessments;
- (h) prepayments as provided for in this Service and Assessment Plan and the Assessment Ordinance; and
- (i) any other changes helpful to the administration of PID No. 1 and permitted by the PID Act.

SECTION VIII MISCELLANEOUS PROVISIONS

8.1 Administrative Review.

(a) An Owner claiming that a calculation error has been made in the Structured Parking Improvement Assessment Roll shall send a written notice to the City describing the error not more than 30 days after the date any amount that is alleged to be incorrect is due. The Administrator shall promptly review the notice and, if necessary, meet with the Owner, consider the evidence regarding the alleged error, and decide whether such an error occurred.

(b) If the Administrator determines that a calculation error has been made and the Structured Parking Improvement Assessment Roll should be corrected in favor of the

Owner, such correction shall be presented to the City Council for approval. A cash refund may not be made for any amount previously paid (except for the final year during which the Structured Parking Improvement Annual Installment is collected) unless there are sufficient funds to meet the obligations of PID No. 1 if a refund is made; however, an adjustment shall be made in the amount of the Structured Parking Improvement Annual Installment to be paid in the following year. The decision of the Administrator regarding a calculation error may be appealed to the City Council. Corrections to the Structured Parking Improvement Assessment Roll shall be made pursuant to the PID Act.

8.2 Termination of Structured Parking Improvement Assessments. Except for delinquent Structured Parking Improvement Assessments and Delinquent Collection Costs, Structured Parking Improvement Assessments shall terminate when paid in full as provided in this Service and Assessment Plan and in the Assessment Ordinance. Within a reasonable time after the termination of Structured Parking Improvement Assessments and the payment of delinquent Structured Parking Improvement Assessments and Delinquent Collection Costs, the City shall provide to the Owner a recordable notice of the termination of the Structured Parking Improvement Assessments (or shall directly record such notice).

8.3 Amendments; Supplemental Assessments. Minor amendments may be made to this Service and Assessment Plan by the City Council without further notice under the PID Act and without notice to the Owners. Minor amendments shall be those that (a) clarify or correct minor inconsistencies in the matters set forth herein, including typographical errors or (b) provide for lawful procedures for the collection and enforcement of the Structured Parking Improvement Assessments and other charges imposed herein so as to assure their efficient collection, to the extent permitted under the PID Act. Amendments to this Service and Assessment Plan may be made by the City Council upon notice and hearing provisions described in the PID Act. Supplemental assessments may be made by the City Council to correct omissions or mistakes in the Structured Parking Improvement Assessments relating to the total cost of the Structured Parking Improvements pursuant to Section 372.019 of the PID Act.

8.4 Interpretation of Provisions. Unless otherwise provided in this Service and Assessment Plan, the City Council shall make all interpretations and determinations related to the application of this Service and Assessment Plan.

8.5 Severability. If any provision of this Service and Assessment Plan, or the application of same to a Parcel or any person or set of circumstances, is for any reason held to be unconstitutional, void, or invalid, the validity of the remaining provisions and the application to other persons or sets of circumstances shall not be affected thereby, it being the intent of the City Council in adopting this Service and Assessment Plan that no provision hereof shall become inoperative or fail by reason of any unconstitutionality, voidness, or invalidity of any other part hereof, and all provisions of this Service and Assessment Plan are declared to be severable for that purpose. If any provision of this Service and Assessment Plan is determined by a court to be unenforceable, the unenforceable provision shall be deleted from this Service and Assessment Plan, and the unenforceable provision shall, to the extent possible, be rewritten to be enforceable and to give effect to the intent of the City.

8.6 Exhibits. The following exhibits are attached to and made a part of this Service and Assessment Plan for all purposes:

Exhibit A - Map of property included in PID No. 1

Exhibit B - Assessed Property

Exhibit C - Structured Parking Improvements Assessment Roll

Exhibit A
PID No. 1 Map

EXHIBIT A

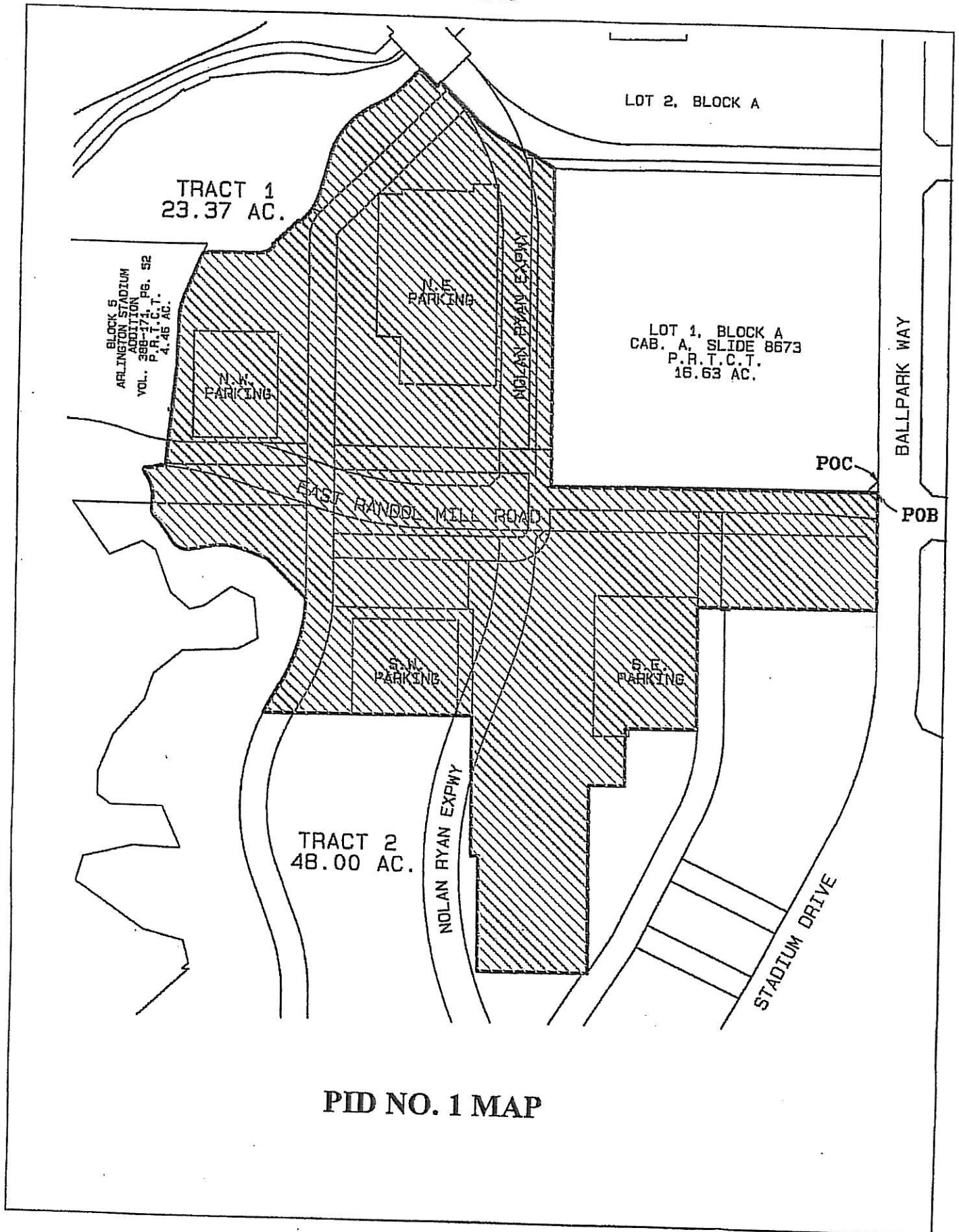


Exhibit B
Assessed Property

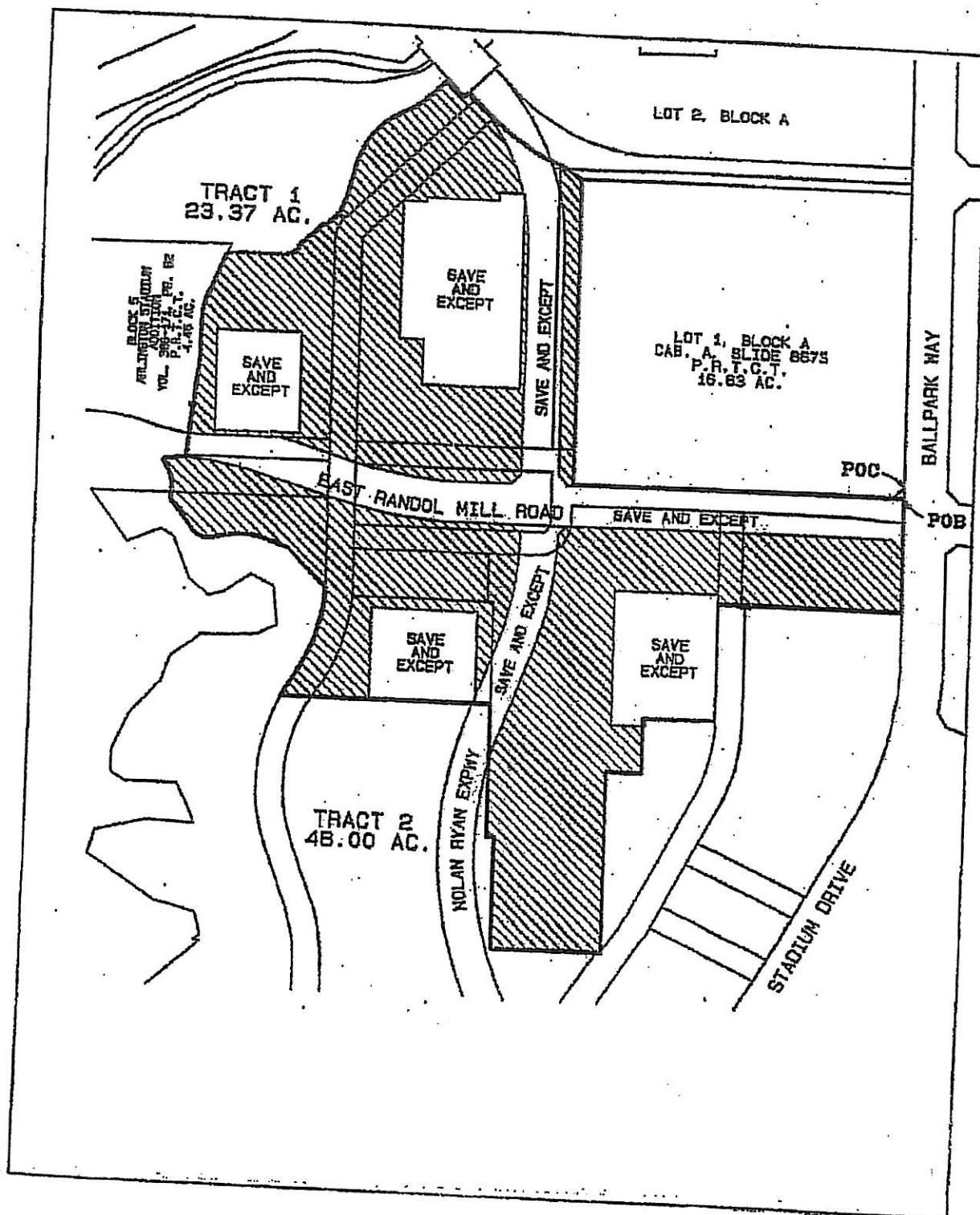


Exhibit C
Structured Parking Improvements Assessment Roll

Exhibit C
Parking Facility Assessment Roll
City of Arlington, Texas
PID No. 1
Parking Facility Service and Assessment Plan
(Glorypark Project)
Parcel of Assessed Property as Shown on Exhibit B

Annual Installment

Due Date	Principal Installments	Interest on Principal Installments	Payments on debt service reserve fund	Letter of credit maintenance fees	Letter of credit facility use charges	Interest Rate Management Agreement Payments	Interest Rate Mgmt Agmt. Term. Payments	Renewal Fees on LOC and Interest Rate Mgmt. Agmt	Remarking Agent Fees	Administrative Costs and Expenses	Total
2/1/2008	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2/1/2009	\$0	\$12,930,000	\$0	\$900,790	\$1,500	\$10,000	\$5,500,000	\$10,000	\$43,100	\$100,000	\$19,495,390
2/1/2010	\$590,000	\$12,930,000	\$4,310,000	\$894,625	\$1,500	\$10,000	\$0	\$10,000	\$43,100	\$103,000	\$18,892,225
2/1/2011	\$600,000	\$12,841,500	\$0	\$888,355	\$1,500	\$10,000	\$0	\$10,000	\$42,805	\$106,090	\$14,500,230
2/1/2012	\$840,000	\$12,751,500	\$0	\$879,577	\$1,500	\$10,000	\$0	\$10,000	\$42,505	\$109,273	\$14,644,354
2/1/2013	\$1,030,000	\$12,625,500	\$0	\$868,813	\$1,500	\$10,000	\$0	\$10,000	\$42,085	\$112,551	\$14,700,449
2/1/2014	\$1,240,000	\$12,471,000	\$0	\$855,855	\$1,500	\$10,000	\$0	\$10,000	\$41,570	\$115,927	\$14,745,852
2/1/2015	\$1,470,000	\$12,285,000	\$0	\$840,494	\$1,500	\$10,000	\$0	\$10,000	\$40,950	\$119,405	\$14,777,349
2/1/2016	\$1,710,000	\$12,064,500	\$0	\$822,624	\$1,500	\$10,000	\$0	\$10,000	\$40,215	\$122,987	\$14,781,826
2/1/2017	\$1,980,000	\$11,808,000	\$0	\$801,933	\$1,500	\$10,000	\$0	\$10,000	\$39,360	\$126,677	\$14,777,470
2/1/2018	\$2,270,000	\$11,511,000	\$0	\$778,212	\$1,500	\$10,000	\$0	\$10,000	\$38,370	\$130,477	\$14,749,559
2/1/2019	\$2,590,000	\$11,170,500	\$0	\$751,146	\$1,500	\$10,000	\$0	\$10,000	\$37,235	\$134,392	\$14,704,773
2/1/2020	\$2,930,000	\$10,782,000	\$0	\$720,528	\$1,500	\$10,000	\$0	\$10,000	\$35,940	\$138,423	\$14,628,391
2/1/2021	\$3,300,000	\$10,342,500	\$0	\$686,043	\$1,500	\$10,000	\$0	\$10,000	\$34,475	\$142,576	\$14,527,094
2/1/2022	\$3,700,000	\$9,847,500	\$0	\$647,378	\$1,500	\$10,000	\$0	\$10,000	\$32,825	\$146,853	\$14,396,056
2/1/2023	\$4,130,000	\$9,292,500	\$0	\$604,219	\$1,500	\$10,000	\$0	\$10,000	\$30,975	\$151,259	\$14,230,453
2/1/2024	\$4,590,000	\$8,673,000	\$0	\$556,254	\$1,500	\$10,000	\$0	\$10,000	\$28,910	\$155,797	\$14,025,460
2/1/2025	\$5,090,000	\$7,984,500	\$0	\$503,063	\$1,500	\$10,000	\$0	\$10,000	\$26,615	\$160,471	\$13,786,149
2/1/2026	\$4,510,000	\$6,544,500	\$0	\$455,934	\$1,500	\$10,000	\$0	\$10,000	\$24,070	\$165,285	\$12,397,788
2/1/2027	\$5,000,000	\$5,794,500	\$0	\$403,684	\$1,500	\$10,000	\$0	\$10,000	\$21,815	\$170,243	\$12,161,742
2/1/2028	\$5,545,000	\$4,962,750	\$0	\$345,738	\$1,500	\$10,000	\$0	\$10,000	\$19,315	\$175,351	\$11,901,404
2/1/2029	\$6,125,000	\$4,044,000	\$0	\$281,732	\$1,500	\$10,000	\$0	\$10,000	\$16,543	\$180,611	\$11,588,136
2/1/2030	\$6,755,000	\$3,030,750	\$0	\$211,142	\$1,500	\$10,000	\$0	\$10,000	\$13,480	\$186,029	\$11,231,152
2/1/2031	\$7,435,000	\$1,915,500	\$0	\$133,447	\$1,500	\$10,000	\$0	\$10,000	\$10,103	\$191,610	\$10,822,409
2/1/2032	\$8,170,000	\$690,000	\$0	\$48,070	\$1,500	\$10,000	\$0	\$10,000	\$6,385	\$197,359	\$10,358,814
2/1/2033	\$4,600,000	\$0	\$0	\$0	\$1,500	\$10,000	\$0	\$10,000	\$2,300	\$203,279	\$5,517,079
Total	\$86,200,000	\$226,513,500	\$4,310,000	\$14,879,651	\$37,500	\$250,000	\$5,500,000	\$250,000	\$755,045	\$3,645,926	\$342,341,622